

Economic Growth for All: Newton

“The United States is the only advanced economy where median household income has not kept pace with growth - median living standards have been declining on average over the last decade,” states The World Economic Forum’s Inclusive Growth and Development Report 2015. “While a growing national economic pie does not guarantee that the size of every household’s piece will be larger, such an outcome is arithmetically impossible unless the overall pie does indeed expand. Growth creates the possibility of a positive-sum game for society, even if it does not assure it.”

We believe that increasing economic mobility, strengthening pathways to the middle class and beyond in the United States is critical to growing our overall economy.

As leaders with influence in America’s cities, we also recognize that we have an important role to play in our regional and national economy, as our cities’ economies drive our country’s growth. In 2013, metro economies were responsible for 87% of the United States’ total real income, 90% of new housing starts, and 90% of real gross domestic product and saw employment growth faster than that of the nation as a whole.

Housing is a critical element in ensuring economic security for individuals and families. Home ownership can be an especially powerful contribution to economic security for lower-income families as a way to build wealth that can be passed on to the next generation, thereby bolstering their children’s prospects as well.

To increase economic mobility, we know we must also invest in education, infrastructure, innovation, entrepreneurship and private public partnerships.

In this spirit, as we further encourage the growth of the innovation economy, we pledge to do it while involving the entire community via diverse and affordable housing, transportation, apprenticeships, employment, programming for children and families, as well as other approaches that will increase opportunities for all—starting with the goal of empowering people in order to improve our communities and country.

We believe it is our responsibility to promote economic growth that is accessible to all.

Great strides have been made in recent years in our ability to provide services and to understand, using sophisticated data, whether they are having the desired impact. We know it is important to share best practices and what we have learned in our own cities with each other in the hopes of helping our local, state, regional and national economies thrive.

To put our economy in the strongest position possible in the first half of this century, we need to join together to come up with new, collaborative solutions.

In that spirit, we will strive to:

- Promote the following principles as a guiding framework for the individual strategies we choose to employ in each of our cities and as targets for all of our cities' residents:
 1. **Family formation:** Born at normal birth weight to a non-poor, non-single mother aged at least 20
 2. **Early childhood:** Acceptable pre-reading and math skills and behavior generally school appropriate
 3. **Middle childhood:** Basic reading and math skills and social-emotional skills
 4. **Adolescence:** Graduates from high school with a GPA of 2.5 or higher and has not been convicted of a crime nor become a parent
 5. **Transition to adulthood:** Lives independently and receives a college degree or has a family income of at least 250% of the poverty level
 6. **Adulthood:** Reaches middle class (family income at least 300% of the poverty level) (1)
 7. **Retirement Age:** Retirement assets to ensure retirement income equivalent to at least 70% of pre-retirement income (2)
 8. **Innovation economy:** Identify and invest in physical, economic, and networking assets (3)
- Track progress in these areas using data
- Commit to working collaboratively with private, public, and nonprofit partners at the local, state, and federal levels in the short and long term towards improved outcomes in these areas

(1) Points 1-6: Sawhill, Isabel V., Scott Winship, and Kerry Searle Grannis. 2012. "Pathways to the Middle Class: Balancing Personal and Public Responsibilities". Washington: The Brookings Institution Center for Children and Families Social Genome Project

(2) Point 7: National Retirement Risk Index, Center for Retirement Research at Boston College

(3) Point 8: Katz, Bruce and Julie Wagner. 2014. "The Rise of Innovation Districts: A New Geography of Innovation in America." Washington: The Brookings Institution Metropolitan Policy Program.

Mayor Setti D. Warren, Newton, MA
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